

Message Text

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SUBJECT: NEW BRUNSWICK KICKBACK SCANDAL

1. NEW BRUNSWICK ATTORNEY GENERAL PAUL CREAGHAN RESIGNED HIS JUSTICE PORTFOLIO MAR 16 AMID A DEEPENING PROVINCIAL POLITICAL CRISIS STEMMING FROM ALLEGATIONS OF ILLEGAL KICKBACKS TO THE PC PARTY BY ONE OR MORE NB GOVT CONTRACTORS AND OBSTRUCTION OF JUSTICE BY INTERFERENCE IN THE INVESTIGATION OF THOSE KICKBACKS. ATLANTIC TELEVISION NETWORK (ATV) BROKE THE STORY FEB 25 WHEN IT REPORTED THAT A TRUCK DRIVER HAULING LIQUOR FOR THE NB GOVT HAD TURNED OVER TO POLICE A FILE OF LETTERS WHICH HE SAID WOULD PROVE HE HAD BEEN FORCED TO PAY DOLS 600 PER MONTH TO PC PARTY IN ORDER TO RETAIN CONTRACT. LETTERS ARE SAID TO HAVE BEEN GIVEN TO RCMP MORE THAN A YEAR AGO AFTER QUERIES MADE ON BEHALF OF TRUCKER TO PREMIER RICHARD HATFIELD HAD BEEN REBUFFED AND HAD GONE UNANSWERED. ACCORDING TO ATV, RCMP SUBSEQUENTLY CONDUCTED RAIDS ON LAWYERS OFFICES IN SAINT JOHN AND HAVE EXAMINED A TRUST FUND ACCOUNT IN THAT CITY WHERE SOURCES SAY THEY FOUND "A WINDFALL BEYOND THEIR WILDEST DREAMS."

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WM LIBERAL LEADER ROBERT HIGGINS HAS CHARGED THAT HATFIELD'S DENIAL OF KNOWLEDGE OF KICKBACKS IS UNTRUE AND THAT THERE IS EVIDENCE THE PROVINCIAL JUSTICE DEPT ORDERED RCMP OFF AN INVESTIGATION OF PC PARTY FINANCE COMMITTEE IN 1973 AND INTERVENED IN A 1975 CASE BY REDUCING THE CHARGES TO BE LAID AND REMOVING "THE POLITICALLY SENSITIVE AREAS." CREAGHAN AND RCMP HAVE

DENIED HIGGINS" CHARGES.

3. HIGGINS HAS ASKED FOR A ROYAL COMMISSION TO INVESTIGATE BUT PREMIER HATFIELD WILL PROMISE ONLY A JUDICIAL INQUIRY. HATFIELD SAYS THAT KICKBACK ALLEGATIONS ARE UNDER INVESTIGATION BY RCMP--AND HAVE BEEN--AND THAT A ROYAL COMMISSION WOULD "BYPASS THE PROCESS OF JUSTICE AND REMOVE THE RIGHT OF THOSE WHO MIGHT BE CHARGED--IF ANY ARE CHARGED--TO A FAIR TRIAL."

4. COMMENT: GRAVITY OF HIGGINS' CHARGES CANNOT BE OVERSTATED. HE CALLED HIS AIRING OF ALLEGATIONS "ONE OF THE MOST DISTASTEFUL ACTS OF MY POLITICAL CAREER" BUT HE IS APPARENTLY STAKING HIS POLITICAL CAREER AND PERHAPS THE FUTURE OF THE NB LIBERAL PARTY ON THE CORRECTNESS OF THOSE ALLEGATIONS. ALTHOUGH CREAGHAN HAS CALLED THOSE ALLEGATIONS "MALICIOUS AND UNTRUE" AND HAS STATED THAT HIS RESIGNATION OF THE JUSTICE PORTFOLIO WAS ONLY BECAUSE THE JUSTICE DEPARTMENT MUST BE "FREE FROM SUSPICION AND INNUENDO", THERE IS NO ESCAPING THE FACT THAT PC DENIALS OF KNOWLEDGE OF WRONGDOING HAVE, FROM THE DAY THE STORY FIRST BROKE, BEEN SURPRISINGLY MUTED. END COMMENT.
MOORE

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